

**STATEMENT OF
MAYOR PAUL TENHAKEN
CITY OF SIOUX FALLS, SOUTH DAKOTA**

FIELD HEARING ON “THE RACE TO 5G: A VIEW FROM THE FIELD”

**BEFORE THE
UNITED STATES SENATE
COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION**

OCTOBER 12, 2018

Chairman Thune, thank you for holding this and hearing, and welcome to the great city of Sioux Falls, South Dakota. I appreciate the opportunity to address you today on the importance of internet connectivity in Sioux Falls and how the fifth generation of internet connectivity is incredibly important to South Dakota and the Upper Midwest.

Sioux Falls was incorporated in 1876, around the same time in history when communication in the United States was transformed by the telegraph system, and the same year Alexander Graham Bell sent the first human voice over an electric telegraph wire. Fast forward to today, Sioux Falls is a growing city in the heart of America. Our geographic distance from larger cities is immaterial for access information and communication. Today, the city and its citizens are data-driven, we are information creators and consumers, and we are mobile in a global economy. South Dakotans can work remotely for any global company, talk with clients around the world and read news from Washington, D.C., and other capitols throughout the world. Continued investment in connectivity, like 5G, helps ensure that South Dakota is a member of the national and international market.

With the dawn of the digital age and the internet, once again, communication and information channels were revolutionized for rural America, and birthed new businesses and fueled entrepreneurs, like myself. In 2008, I founded the marketing technology firm, Click Rain, in Sioux Falls. Thanks to the explosive growth of the internet and digital commerce, our company quickly become our way onto the Inc 5000 list for five straight years as one of America’s Fastest Growing Private Companies and one of the largest marketing technology firms in the Upper Midwest.

Today, nearly every sector of Sioux Falls’ economy relies on a fast and reliable internet connection. As an essential part of personal and professional life, our mobile devices and the infrastructure supporting the connection of these devices is an economic and quality of life driver for Sioux Falls, South Dakota and the entire region. Organizations like Avera Health are operating one of the most robust eCARE backends in the country, right here in Sioux Falls. CarsForSale.com is a dot-com success story that has created hundreds of jobs in Sioux Falls. DocuTAP provides EMR software to urgent care clinics across the globe. The common thread of success amongst all these companies: fast, reliable connectivity.

In particular, the future of telemedicine from providers like Avera will be revolutionized as the prevalence of 5G grows. Avera’s eCARE launched in 1993 focused on telemedicine care,

and today it provides a wide continuum of care including emergency, ICU, pharmacy, senior care and behavioral health. This team has touched 1.4 million patients across 18 states and has saved \$200 million in health care dollars over the past 25 years. 5G will no doubt increase the capability of patients to receive care from wherever they have access to a computer, tablet or phone.

Imagine the ability of a doctor in Sioux Falls to consult with a doctor and patient in Pierre while sharing a 3D CAT scan that is several gigabytes in size and at a 4K resolution. Traditional connections today would prohibit that type of communication on a routine or on demand basis and require that same patient to travel to Sioux Falls to see the Sioux Falls Specialist and the 4k 3D image. 5G technology would allow this interaction to occur in milliseconds. This technology could also provide telemedicine for simple and complex medical needs from a patient's home or in an ambulance while being transported to the nearest hospital. The potential is great and the benefits are tremendous.

The deployment of 5G is of great importance to the continued evolution of connecting rural America to the rest of the world. As the United States strives to be the first nation with a fully functional 5G network, the City of Sioux Falls strives to be the first mid-market city with 5G infrastructure.

Right now, wireless carriers are negotiating small-cell tower location review fees and easement fees with local governments to install 5G infrastructure, cities with outdated ordinances are faced with updating regulations that allow small cell towers.

As mayor, it is not my intent to profit off carriers to deploy 5G infrastructure. We seek fair and reasonable compensation for city staff time to review applications from carriers. In kind, we offer a reasonable time frame to approve or deny applications, or work with the carrier on an alternative site. Lastly, we want easement fees that covers the inflationary costs we incur with carriers locating their technology on city assets. It's a very basic ask—make the city whole on our costs to review and house the infrastructure you need to earn your profits.

Recent guidance from the Federal Communications Commission and the proposed legislation before this Committee seeks to standardize negotiations for cities and carriers, and in many cases is aligned with my philosophy of rapid deployment in Sioux Falls. It is critical that federal regulations protect local governments and allow them to set reasonable fees that cover costs. Giving carriers authority to set fees that are unfair to local governments is in essence an unfunded federal mandate that will cost local governments tens of millions of dollars when you consider the thousands of small cells that will be deployed across the nation in the coming years.

Cutting-edge technology, innovation, forward thinking and proactive planning are crucial to preparing Sioux Falls and the region for quality of life improvements driven by technology advancements, and 5G plays a pivotal role in the equation. For autonomous vehicles to be viable, we need 5G. For enhanced public safety with high-definition feeds for police officer body cameras and surveillance equipment, we need 5G. The opportunities 5G brings to our community are endless, and I look forward to working with this Committee, the FCC and carriers to successfully and expeditiously deploy 5G in Sioux Falls.

In closing, I want to thank Chairman Thune's leadership in his area. His vision for streamlined 5G deployment across the United States that is fair to communities, consumers and carriers is a step in the right direction. The Chairman understands the importance of connecting rural states with the rest of the world as well as the economic opportunities 5G offers to states like South Dakota. I am excited to foster and support 5G in Sioux Falls as we seek to grow our technological footprint and remove unnecessary barriers to entry for this critical infrastructure.